

---

**From:** Little, Jamal [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=69149C51192E44EEAD4FC5F6B56D18AB-JLITTLE6]  
**Sent:** 1/26/2018 2:48:50 PM  
**To:** Little, Jamal [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=69149c51192e44eead4fc5f6b56d18ab-jlittle6]  
**Subject:** Carolina Journal: UPDATE: Cooper pipeline deal includes 'discretionary' fund outside budget process

[Carolina Journal: UPDATE: Cooper pipeline deal includes 'discretionary' fund outside budget process](#)

UPDATED, 2:35 p.m. The agreement between DEQ and the Atlantic Coast Pipeline operators includes a \$57.8 million payment by the companies to an "Escrow Account" chosen by the governor. The Memorandum of Understanding between the parties says the money will be used to mitigate environmental impacts of the pipeline; economic development projects in the affected counties; and renewable energy projects in the affected counties. This fund may operate outside normal legislative budgeting functions. Carolina Journal will continue updating the story as events warrant.

The state Department of Environmental Quality issued a vital water permit Friday advancing the Atlantic Coast Pipeline project, but environmentalists immediately criticized Gov. Roy Cooper for signing off on the approval.

The 604-mile pipeline and compressor stations will carry natural gas from West Virginia to southeastern regions of Virginia and eight counties in North Carolina, ending just shy of the South Carolina border.

The 401 water quality certification is required because the project has the potential to impact wetlands, buffers, or waterways.

"DEQ left no stone unturned in our exhaustive eight-month review of every aspect of the 401 application," said DEQ Secretary Michael Regan.

"Our job doesn't end with the granting of the permit, but continues as we hold the company accountable to live up to its commitments," Regan said. "Our efforts have resulted in a carefully crafted permit that includes increased environmental protections, while giving us the tools we need to continue close oversight of this project as it moves forward."

Advocates and adversaries of the pipeline have sought Cooper's support.

"We're disappointed by [Gov.] Roy Cooper's approval of this fracked gas pipeline water permit, which makes his commitment to clean energy harder to fulfill. Fracked gas is just another fossil fuel that threatens our water, our health, and our climate," said Michael Brune, executive director of the California-based Sierra Club.

Brune warned in a news release that the environmental group has filed four lawsuits over the pipeline, including one against Virginia's approval of a similar 401 permit, and will continue its fight.

"Regardless of the rhetoric coming from fracked gas companies today, the Atlantic Coast Pipeline will continue to encounter massive opposition at every turn," Brune said. "Duke Energy and Dominion Power can spend millions on their PR campaigns attempting to convince the public they're pushing clean energy, but the truth remains that fracked gas and this pipeline are a direct threat to the climate and to communities."

Senate Leader Phil Berger, R-Rockingham, lauded DEQ's action.

"I've supported the Atlantic Coast Pipeline from the start, and while approval took longer than it should have, I appreciate [Governor] Cooper finally standing up to the far-left environmentalists and permitting this job-creating project," Berger said in a written statement.

“This new pipeline will allow North Carolina to reap the benefits of the fossil fuel-driven energy revolution that is powering America’s economic growth,” Berger said. “I sincerely hope this signals a new willingness by [Governor] Cooper to reject the radical, anti-business elements that dominate today’s Democratic Party, and work with Republicans on pro-growth economic policies that will create jobs in North Carolina.”

The Federal Energy Regulatory Commission is the lead regulatory agency for natural gas pipeline projects. It approved the Atlantic Coast Pipeline in October, but more state permits are needed before the pipeline construction can start.

Those include an air quality permit for a compressor station in Northampton County; two general stormwater permits in Nash and Cumberland counties; an individual stormwater permit for a contractors’ work yard in Cumberland County; and approval of the erosion and sediment control plan for the northern segment of the pipeline’s North Carolina route. The erosion and sediment control plan for the southern segment was approved in December.

The project also must obtain a permit from the U.S. Army Corps of Engineers for stream and wetland impacts.

CJ Editor-in-Chief Rick Henderson provided additional reporting for this story.

Jamal Little  
Press Office of the Governor  
919-814-2107 (o) | 919-280-2743 (c)

---

Email correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized state official